After Recording Return to:

State of Oregon, County of Klamath Recorded 03/25/2005 21/7<u>p</u>m Vol M05 Pg /99 24 - 37 Linda Smith, County Clerk Fee \$ 5600 # of Pgs

## SHARED WELL AGREEMENT

WHEREAS, Michael Sorini and Michelle Sorini, hereinafter referred to as Party #1, is the owner of the real property located in Klamath County, Oregon more particularly described as:

Lots 52, 53, 54, and 55, Block 17, INDUSTRIAL ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

and Robert Apland and Jan Apland, hereinafter referred to as Party #2, is the owner of real property located in Klamath County, Oregon more particularly described as:

Lots 56, 57, 58, and 59, Block 17, INDUSTRIAL ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon and The N ½ of Lots 60, 61, and 62, Block 17, INDUSTRIAL ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

and David Michael Ellis and Kathellen Kay Long, hereinaster referred to as Party #3, is the owner of real property located in Klamath County, Oregon more particularly described as:

Lots 45 and 46, Block 17, INDUSTRIAL ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon and Lots 60, 61, and 62, Block 17, INDUSTRIAL ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

**EXCEPTING THEREFROM the following:** 

The N ½ of Lots 60, 61 and 62, Block 17, INDUSTRIAL ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, more particularly described as follows:

Beginning at the most Northerly corner of Lot 60, Block 17, INDUSTRIAL ADDITION TO THE CITY OF KLAMATH FALLS; thence Southeasterly along the South line of Martin Street, 75 feet to the Westerly line of Oak Street; thence Southwesterly along the Westerly line of Oak Street, 57.5 feet; thence Northwesterly parallel to Martin Street 75 feet to the Northwesterly line of Lot 60, said Block 17; thence Northerly along the Northwest line of said Lot 60, 57.5 feet to the point of the beginning.

Lots 47 and 48, Block 17, INDUSTRIAL ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

Lot 49, Block 17 and that portion of Lot 50 in Block 17, INDUSTRIAL ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

Beginning at the most Northerly corner of Lot 50 in said Block 17; thence Southwesterly along the Northwesterly side of said Lot 50, 115 feet to the Southwesterly side of said Lot 50; thence



Southeasterly along the Southwesterly side of said Lot 50 a distance of 12.5 feet; thence Northeasterly, parallel with the Northwesterly side of said Lot 50 a distance of 115 feet to the Northeasterly side of said Lot 50; thence Northwesterly along the Northeasterly line of said Lot 50 a distance of 12.5 feet, more or less, to the point of beginning.

and Jason Icenbice and Michael Slay hereinafter referred to as Party #4, are the owners of real property located in Klamath County, Oregon more particularly described as:

Lot 8, Block 22, INDUSTRIAL ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

and Jason Icenbice and Michael Slay hereinaster referred to as Party #6, are the owners of real property located in Klamath County, Oregon more particularly described as:

The E ½ of Lot 50 and all of Lot 51, Block 17, INDUSTRIAL ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

WHEREAS, a domestic geothermal well is located on the property line between Lots 55 and 56 of Block 17 referred to herein which serves the residences located on those properties and the residences on the other properties described herein;

NOW, THEREFORE, IT IS HEREBY AGREED that the Party #1 and Party #2 do hereby give and grant to each other party, their heirs, successors and assignees, for the benefit of the said other parties, a permanent easement in, to, upon and over the Grantor's property described herein for the purpose of taking water for domestic geothermal purposes and for the purpose of installing, laying, constructing, maintaining and keeping in repair pipes, mains, conduits and electric service as is needed for the other parties to receive water from the well. No party shall obstruct or interfere with any other party's use of the well. All maintenance of the well shall be provided by Party #2, provided, however, that if Party #2 does not provide the required maintenance within a reasonable period of time, any other party may do so and recover from each other party reimbursement for the costs of such maintenance in accordance with the schedule below.

Each party further grants to each other party, their heirs, successors and assignees, a permanent casement in, to, upon an over the other parties' property for the purpose of installing, laying, constructing, maintaining and keeping in repair pipes, mains, conduits and electric service as is needed for the other parties to receive water from the well.

The well has a separate electric meter located on the property of Party #2 which is in the name of Party #2. The parties agree that the costs associated with the well, including electrical service and any maintenance to the pump or well itself, shall be paid jointly, with the based upon the following schedule:

| 228 Martin St.                 | 856 sq. ft.  | 8%  |
|--------------------------------|--------------|-----|
| 230 Martin St.                 | 1014 sq. ft. | 10% |
| 238 Martin St.                 | 1677 sq. Ու  | 17% |
| 240, 242, 244 & 246 Martin St. | 2208 sq ft.  | 23% |
| 248, 250, 254 & 256 Martin St. | 2208 sq. ft. | 23% |
| 2130 Oak Ave.                  | 964 sq. ft.  | 10% |
| 2122 Oak Ave.                  | 893 sq. ft.  | 9%  |

Should any of the subject properties be improved and such improvement results in an increase of more than 10% of the square footage of the subject property, and the new improvements utilize the geothermal well, then these percentages shall be modified to reflect the change. If the improvement (whether new construction or a remodel) causes or would cause the output of the

system to be less than reasonably needed for all of the users, then the party doing the improvement shall be responsible for all costs associated with upgrading the system to provide the additional service before utilizing this system for the new improvement.

All payments required under this agreement shall be based upon an annual estimate to be provided by Party #2 to each other party no later than December 1 of each year. That estimate shall include the estimated cost of any maintenance and of the cost of electricity. The estimate shall also include a reserve amount equal to 10% of the total estimate to be held for the sole purpose of establishing a fund to pay for major expenses such as well or pump replacement. Each party shall pay the estimated amount to Party #2 no later than January 1 of each year. Party #2 shall hold the funds in trust for each and every other party and shall not utilize said funds for any purpose without providing at least 10 days written notice to every other party, unless an emergency occurs which prevents such notice. Party #2 shall provide each party, no later than February 1 of each year, with an annual statement of all income and expenses associated with the use of the well. If the previous year's estimate proves to be insufficient to cover all expenses, Party #2 shall include with the annual statement an invoice for each party's additional contribution, which shall be paid to Party #2 no later than 15 days after mailing of the annual statement.

Each party hereto shall be solely responsible for the maintenance of any portion of the system which serves only their property and shall take no action which would interfere with or in any way damage any other portion of the geothermal system. Each party shall provide such maintenance as is reasonably necessary to ensure that they are only utilizing the system to the extent reasonably necessary for their property.

Should any party to this agreement desire to cease utilizing the geothermal well for their property, such party shall give all other parties written notice of such desire at least 30 days prior to terminating their use of the well. Such party shall be entitled to a refund of any unused annual assessment. Regardless of any cessation of use by any party, the rights contained herein for access to that party's property for maintenance of the system shall remain in full force and effect.

Should any party fail to make any payment required hereunder, and such failure continues for a period of 30 days following written notice to such party of such failure, Party #2 may declare this agreement to be forfeited and may record with the Klamath County Clerk a statement so stating. Said party shall, within 10 days of being served with a notice of forfeiture, remove any connection to the well. Said party shall be responsible for ensuring that no damage occurs to said well. Should said party fail to remove their connection as set forth herein, Party #2 may institute proceedings in the Klamath County Circuit Court to compel compliance with this agreement and to recover from said party the cost of removing their connection. Should such an action be filed, the prevailing party shall be entitled to recover their reasonable attorneys fees, whether at trial or on appeal.

| David Michael Ellis           | Kathleen Kay Long                |
|-------------------------------|----------------------------------|
| Michael Sorini Michael Sorini | Michelle Sorini  Michelle Sorini |
| Robert Apland                 | Jan Apland                       |

| STATE OF OREGON )  |   |  |
|--|---|--|
| County of Klamath  | ) ss.<br>)  |  |
| the above instrument, and w  | t on this day of, 2005, personally appeared before me known to me to be the identical person described in and who executed ho acknowledged to me that he executed the same freely and voluntarily nereunto set my hand and affixed my seal this day and date written  |  |
| (SEAL)   | Before me:  |  |
|  | Before me:  Notary Public for Oregon  |  |
| STATE OF OREGON )  |   |  |
| County of Klamath  | ) ss.<br>)  |  |
| the above instrument, and wi   | on this day of, 2005, personally appeared before me known to me to be the identical person described in and who executed ho acknowledged to me that he executed the same freely and voluntarily tereunto set my hand and affixed my seal this day and date written  |  |
| (SEAL)   | Before me:Notary Public for Oregon  |  |
| who executed the above instrand voluntarily. In witness that written above the column (SEAL) | on this 22 day of May 2005, personally appeared before me Sorini, who is known to me to be the identical persons described in and rument, and who acknowledged to me that they executed the same freely whereof. I have hereunto set my hand and affixed my seal this day and with the same freely whereof. Cauffornia ground country and the same freely in Equipment Cauffornia ground country and the same freely before me:  Notary Public for Oregon |  |
| STATE OF OREGON )  | <b>\</b>  |  |
| County of Klamath  | ) ss.<br>)  |  |
| executed the above instrumen   | on this day of, 2005, personally appeared before me id, who is known to me to be the identical persons described in and who it, and who acknowledged to me that they executed the same freely and eof, I have hereunto set my hand and affixed my seal this day and date  |  |
| SEAL)  | Before me:  |  |
|  | Before me: Notary Public for Oregon   |  |

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| David Michael Ellis | Sattleen hay kang Kathleen Kay Long |
|---------------------|-------------------------------------|
| Michael Sorini      | Michelle Sorini                     |
| Robert Apland       | Jan Apland                          |

| STATE OF OREGON )  |
|--|
| County of Klamath ) ss.  |
| BE IT REMEMBERED that on this day of the identical person described in and who executed the above instrument, and who acknowledged to me that he executed the same freely and voluntarily above.  (SEAL)  NOTARY FUBLIC CIREGON  STATE OF OREGON  STATE OF OREGON  ADDIEST FLEEK  NOTARY FUBLIC CIREGON  Notary Public for Oregon  |
| County of Klamath ) ss.  |
| BE IT REMEMBERED that on this day of 2005, personally appeared before me Kathleen Kay Long, who is known to me to be the identical person described in and who executed the above instrument, and who acknowledged to me that he executed the same freely and voluntarily above.  (S E A IS OFFICIAL SEAL ADRIEN FLEEK NOTARY PUBLIC-OREGON MY COMMISSION NO., 363593 NY COMMISSION NO., 363593 STATE OF OREGON) |
| County of Klamath ) ss.  |
| BE IT REMEMBERED that on this  |
| (S E A L)  Before me:  |
| Notary Public for Oregon STATE OF OREGON )   |
| County of Klamath ) ss.  |
| BE IT REMEMBERED that on this day of, 2005, personally appeared before me Robert Apland and Jan Apland, who is known to me to be the identical persons described in and who executed the above instrument, and who acknowledged to me that they executed the same freely and voluntarily. In witness whereof, I have hereunto set my hand and affixed my seal this day and date written above.                   |
| (S E A L)  Before me:  |
| Before me:  Notary Public for Oregon   |

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| David Michael Ellis | Kathleen Kay Long |  |  |
|---------------------|-------------------|--|--|
| Michael Sorini      | Michelle Sorini   |  |  |
| Robert Island       | Jan Anland        |  |  |
| Robert Apland       | Jan Apland        |  |  |

| STATE OF OREGON )                                       |  |  | 19931   |
|---|--|--|---|
| County of Klamath                                       | ) ss.<br>)   |  | 10001   |
| the above instrument, and t                             | wno acknowle   | edged to me that he                    | , 2005, personally appeared before me al person described in and who executed executed the same freely and voluntarily. ed my seal this day and date written                |
| (SEAL)  |  | Before me:                             |   |
| •   |  |  | Notary Public for Oregon  |
| STATE OF OREGON )                                       |  |  |   |
| County of Klamath                                       | ) ss.<br>)   |  |   |
| the above histrument, and y                             | vno acknowie   | dged to me that he                     | _, 2005, personally appeared before me person described in and who executed executed the same freely and voluntarily. ed my seal this day and date written                  |
| (SEAL)  |  | Before me                              |   |
|   |  |  | Notary Public for Oregon  |
| who executed the above instant voluntarily. In witness  | c Sorini, who :<br>trument, and v                        | is known to me to<br>vho acknowledge   | , 2005, personally appeared before me<br>be the identical persons described in and<br>I to me that they executed the same freely<br>y hand and affixed my seal this day and |
| date written above.                                     | •  |  | , waste and arrived my sour this day and  |
| (SEAL)  |  | Before me:                             |   |
|   |  | · · ·                                  | Notary Public for Oregon  |
| STATE OF OREGON )                                       | •  |  |   |
| STATE OF OREGON ) CA                                    |  |  |   |
| executed the above instrume                             | nt, and who a  | own to me to be th<br>cknowledged to m | , 2005, personally appeared before me to identical persons described in and who that they executed the same freely and d and affixed my seal this day and date              |
| (SEAL)  |  | Before me:                             | the services  |
| LYNDA I<br>COMM, I<br>NOTARY DISCUMN<br>My Comm. Expire | PETERS 1443109 C-CALIFORNIA E E COUNTY bis Oct. 29, 2007 | 4                                      | rectary Autoric for Oregon  |